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HIGH COURT OF MADHYA PRADESH
BENCH AT INDORE
(SB: HON. SHRI JUSTICE PRAKASH SHRIVASTAVA)

Company Petition No.13/2015

In the matter of the Companies Act of 1956;

AND

in the matter of summons for Directions under Sections 391 to 394 of the Companies Act, 1956;

AND

in the matter of Scheme of Amalgamation of Aditya Birla Chemicals (India) Limited with Grasim Industries Limited and their respective shareholders and creditors;

AND

In the matter of

Grasim Industries Limited

... Petitioner
Company

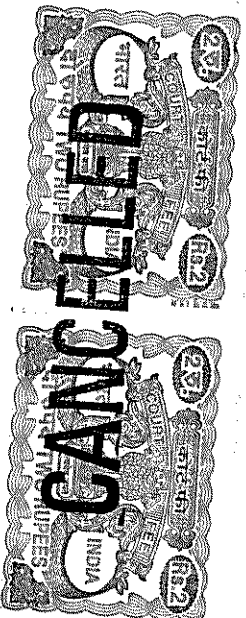
Shri A.K. Chitale, learned senior counsel with Shri B.A. Chitale, learned counsel for the petitioner.
Shri Deepak Rawal, learned counsel for the R.D.

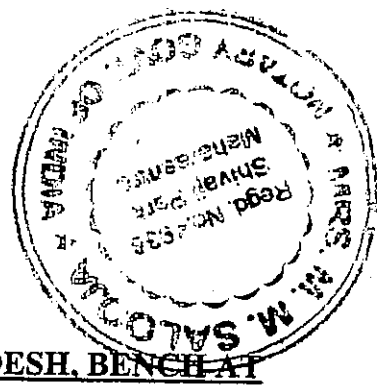
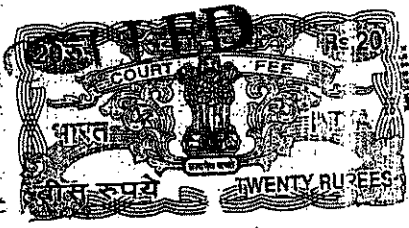
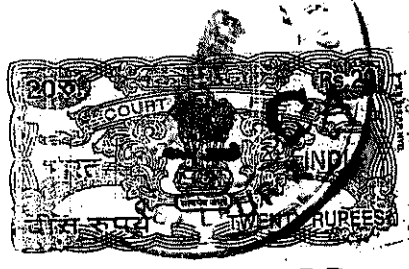
Whether approved for reporting :

ORDER

(Passed on 9th October, 2015)

1/ This petition under Section 391 to 394 of the Companies Act, 1956 has been filed by the petitioner Grasim Industries Limited in the matter of Scheme of Amalgamation of Aditya Birla Chemicals (India) Limited with the petitioner





INDORE

IN THE HIGH COURT OF MADHYA PRADESH, BENCH AT

INDORE

ORIGINAL COMPANY JURISDICTION

COMPANY PETITION NO. 13 OF 2015

CONNECTED WITH

COMPANY PETITION NO. 7 OF 2015

In the matter of the Companies Act, 1956;

And

In the matter of Summons for Directions under Sections 391 to 394 of the Companies Act, 1956;

And

In the matter of Scheme of Amalgamation of Aditya Birla Chemicals (India) Limited with Grasim Industries Limited and their respective shareholders and creditors;

And

In the matter of

Grasim Industries Limited

a company incorporated under the Gwalior Companies Act (1 of Samvat 1963) and now deemed to be incorporated under the Companies Act, 1956/2013 as an "existing company" and having its registered office at Birlagram, Nagda - 456 331, District Ujjain, Madhya Pradesh

... Petitioner
Company

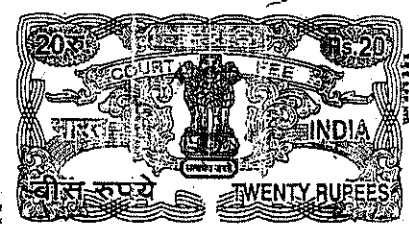
MAY IT PLEASE YOUR LORDSHIP

The petitioner above named humbly submits as under:

- The object of this petition is to seek sanction of this Hon'ble Court to the Scheme of Amalgamation of Aditya Birla Chemicals



Presented on 22.06.15 1
By - Amit Paradeshi 3077
Registration Assistant 2001



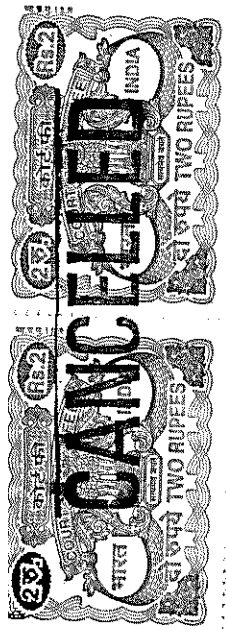


Company and for the approval of the Scheme of Amalgamation in this regard. The registered office of the petitioner-transferee company is located at Birlagram Nagda, District Ujjain within the territorial jurisdiction of this Court, whereas the registered office of the transferor company namely Aditya Birla Chemicals (India) Ltd. is located at Garhwa Road, P.O.-Palamau, Jharkhand and it has been submitted by counsel for the petitioner that the transferor company has filed a separate petition before the Jharkhand High Court.

2/ In the first stage proceedings, this Court vide order dated 22.4.2015 in Company Petition (Application) No.7/2015 had directed the meeting of the equity shareholders, secured creditors and unsecured creditors of the petitioner-Company. The report of the Chairman has been enclosed with the petition disclosing that the shareholders, secured creditors and unsecured creditors have approved the Scheme in the meeting.

3/ In the present petition, this Court vide order dated 6.7.2015 had issued notice to the Registrar of Companies, Madhya Pradesh and Chhattisgarh, Gwalior and Regional Director, Western Region, Ahmedabad and had also directed advertisement of petition in accordance with the Rules in the official gazette of the State and two daily newspapers namely 'Nai Dunia' (Hindi) and 'Free Press' (English) having circulation in Indore. The affidavit of compliance has been filed in the matter.

4/ From the record, it is found that the petitioner-transferee company was incorporated as 'Gwalior Rayon Silk Manufacturing (Weaving) Company Limited' on 25.8.1947 and its name was subsequently changed to



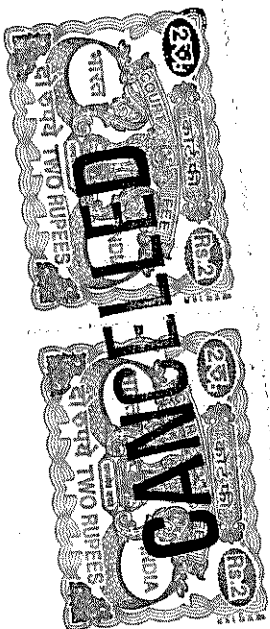


Grasim Industries Limited on 22.7.1986. The company is primarily engaged in the manufacture and sale of viscose staple fibre, chemicals, textiles and cement (through its subsidiary). The Article and Memorandum of Association as also the last audited balance-sheet of the petitioner-Company as on 31.3.2014 has been filed.

5/ So far as the transferor company Aditya Birla Chemicals (India) Limited is concerned, it was originally incorporated on 20.7.1976 and its name has subsequently been changed. The transferor company is *inter alia* engaged in the business of manufacture of Chlor Alkali and allied chemicals. The Article and memorandum of association along with the last audited balance-sheet of the transferor company as on 31.3.2014 has been filed.

6/ The Scheme of Amalgamation has been proposed to consolidate the Group's Chlor-Alkali business into the petitioner-Company in line with the Group's philosophy to unify similar business in one company, since the petitioner-Company and transferor company are also engaged in the business of Chlorine derivatives in a substantial manner. The object of amalgamation is to strengthen the petitioner Company's existing portfolio of viscose staple fibre, caustic soda and allied chemicals and to enable the geographical diversification for the petitioner Company.

7/ The scheme of amalgamation has been approved by the Board of Directors of the petitioner as well as transferor company on 11.2.2015. The detailed scheme





has been filed as Exhibit 'F'.

8/ In pursuance to the notice issued by this Court, the Regional Director has filed the report raising certain objections. These objections are decided hereunder :-

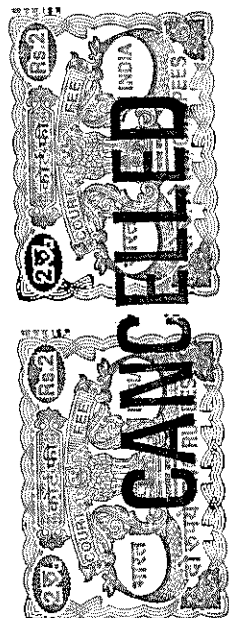
A) The Regional Director has raised the objection that the transferee company is listed with the BSE and NSE and, therefore, it is required to comply with various provisions of the Circulars of SEBI and also required to take NOC from SEBI.

An affidavit dated 21.9.2015 has been filed by the petitioner in response to the objection clarifying that the petitioner will comply with the SEBI Circular and in the SEBI Circular dated 4.2.2013 and 21.5.2013, there is no requirement of obtaining the NOC.

In view of this the objection raised by the RD does not survive.

B) The Regional Director has also raised an objection that 3.49% of equity shares of the petitioner-Company are held by the foreign national/NRI/foreign bodies corporates, therefore, the petitioner should disclose about the compliance of FEMA and RBI guidelines.

The petitioner in response thereof has disclosed in the affidavit dated 21.9.2015 that though 3.49% of equity shares are held by the foreign nationals but the Scheme does not involve violation of any provisions of the Foreign Exchange Management Act, 1999 or any guidelines of the RBI, therefore, no special



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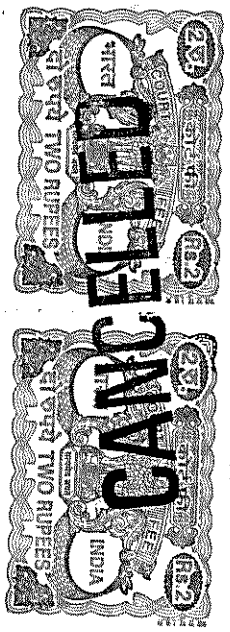


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permission of RBI is required.

C) The R.D. has also raised an objection that the communication dated 27.7.2015 was sent by the R.D. to Chief Commissioner of Income Tax with a request to give specific comments of the Income Tax Department about the proposed scheme but no reply has been received, therefore, the petitioner should undertake compliance of provisions of the Income Tax Act and Rules.

In this regard, in the reply dated 21.9.2015 the petitioner has disclosed that in terms of the Circular dated 15.1.2014 of the Ministry of Corporate Affairs, if no response is received from the Income Tax Department within 15 days of receipt of notice, it is to be presumed that the Income Tax Department has no objection against the proposed Scheme of Amalgamation under Section 391 to 394 of the Act. That apart, the petitioner has also undertaken to ensure compliance of the provisions of the Income Tax Act.



9/ Apart from the above, no other objection has been raised by the RD. In the report RD has disclosed that there is no other complaint against the petitioner and the R.D. has not received any objection to the Scheme or affidavit opposing this petition, and that the Scheme may be sanctioned.

10/ Having considered the scheme and on perusal of the record and reports, the scheme appears to be fair and



reasonable and not opposed to public interest.

11/ Accordingly, the Scheme of Arrangement filed as Exhibit 'F' to the petition is hereby approved. The said scheme may be read as part of this order. The petitioner company shall, within 30 days of this order, file with the Registrar of Companies, Madhya Pradesh a certified copy of this order. The sanction of scheme by this order will be subject to the outcome of the petition filed by the transferor Company before the Jharkhand High Court.

12/ The Petitioner Company to pay the cost of Rs.7,500/- to the counsel for Regional Director within four weeks from today.

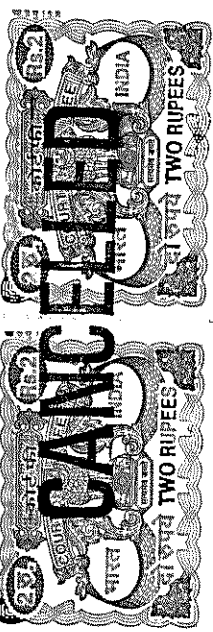
13/ In view of the foregoing discussion, it is hereby directed that no formal order is required to be drawn up in terms of Rule 37 in Form No.41 and 42. This petition thus stands disposed of as aforesaid.

C.C. as per rules.

(PRAKASH SHRIVASTAVA)
Company Judge

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Head Clerk
High Court of Madhya Pradesh
Indore Bench Indore





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EXHIBIT - 'F' 419
ANNEXURE

SCHEME OF AMALGAMATION

(UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956 AND THE COMPANIES ACT, 2013)

OF

ADITYA BIRLA CHEMICALS (INDIA) LIMITED

WITH

GRASIM INDUSTRIES LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
HUTOASHI WADIA
COMPANY SECRETARY

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FOR GRASIM INDUSTRIES LIMITED

This scheme of amalgamation (herein after referred to as the "Scheme") provides for the amalgamation of Aditya Birla Chemicals (India) Limited with Grasim Industries Limited pursuant to provisions of Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 and /or the Companies Act, 2013 (to the extent notified and applicable).

DESCRIPTION OF THE TRANSFEROR AND THE TRANSFEREE COMPANY

Aditya Birla Chemicals (India) Limited is a public company, limited by shares, incorporated under the provisions of the Companies Act 1956, under Corporate Identity No. L24100JH1976PLC001255 and having its registered office at Garhwa Road, P.O.- Rehla, Palamau, Jharkhand 822124 ("Transferor Company") and is *inter alia* engaged in the business of manufacture of Chlor Alkali and allied chemicals. The equity shares of the Transferor Company are listed on BSE Limited and the National Stock Exchange of India Limited.

Grasim Industries Limited is a public company, limited by shares, incorporated under the provisions of the Companies Act 1956, under Corporate Identity No. L17124MP1947PLC000410 and having its registered office at Birlagram, Nagda, Dist. Ujjain, Madhya Pradesh 456331 ("Transferee Company") and is *inter alia* engaged in the business of manufacture of viscose staple fibre, chemicals and cement (through its subsidiary). The equity shares of the Transferee Company are listed on BSE Limited and the National Stock Exchange of India Limited.

RATIONALE

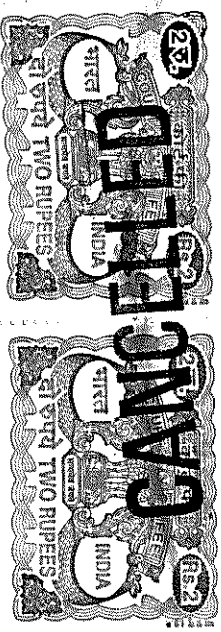
The rationale for the proposed amalgamation of Aditya Birla Chemicals (India) Limited with Grasim Industries Limited is, *inter alia*, as follows:

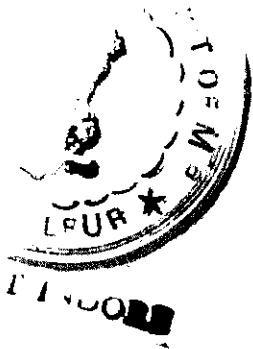
- (a) The nature of the business of the Transferor Company and the Chemical business of the Transferee Company is similar to each other. It is considered desirable to amalgamate the Transferor Company into the Transferee Company to integrate and consolidate the chemical businesses in a single entity. The combined entity will have geographically diversified manufacturing operations spread across the country. The proposed amalgamation will enable better and efficient management, control and running of the businesses to attain operational efficiencies, cost competitiveness, create synergies and will be beneficial for capitalizing on the growth opportunities to the fullest extent.
- (b) The proposed amalgamation and vesting of the Transferor Company into the Transferee Company, with effect from the Appointed Date, is in the interest of the shareholders,

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creditors, employees and other stakeholders, of both the companies, as it would enable a focused business approach for the maximization of benefits to all stakeholders and afford the advantages of synergies of their businesses.

- (c) The amalgamation of the Transferor Company with the Transferee Company will combine the business activities and operations of the Transferor Company and the Transferee Company into a single company with effect from the Appointed Date and shall be in compliance with the provisions of the Income Tax Act, 1961, including Section 2(1B) thereof or any amendments thereto.

GENERAL

This Scheme is divided into the following parts:

- (a) Part I of the Scheme deals with definitions and interpretations, and sets out the share capital of the Transferor Company and the Transferee Company;
- (b) Part II of the Scheme deals with the amalgamation of the Transferor Company with the Transferee Company; and
- (c) Part III of the Scheme deals with the dissolution of the Transferor Company and the general terms and conditions applicable to the Scheme.

PART I

1. DEFINITIONS AND INTERPRETATIONS

1.1 In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

“Act” or “the Act” means the Companies Act, 1956 (as amended) and any corresponding provisions of the Companies Act, 2013 (to the extent notified) (including any statutory modifications(s) or re-enactment(s) thereof) and rules and regulations made thereunder, for the time being in force, and which may relate or are applicable to the amalgamation.

“Applicable Law” means any statute, notification, bye laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, orders or instructions having the force of law enacted or issued by any Appropriate Authority in India, including any statutory modification or re-enactment thereof for the time being in force.

“Appointed Date” means 1 April 2015 or such other date as may be agreed by the Transferor Company and the Transferee Company and approved by the High Court(s) or directed by or imposed by the High Court.

“Appropriate Authority” means any applicable central, state or local government, legislative body, regulatory, administrative or statutory authority, agency or commission or department or public or judicial body or authority, including but not limited to Securities and Exchange Board of India, Stock Exchanges, Registrar of Companies, Competition Commission of India, National Company Law Tribunal (to be constituted under the Companies Act, 2013), Reserve Bank of India and the High Courts.

“Board” in relation to the Transferor Company and the Transferee Company, as the case may be, means the board of directors of such company, and shall include a committee of directors or any person authorized by the Board or such committee of directors duly constituted and authorized for the purposes of matters pertaining to the amalgamation, this



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Scheme and/or any other matter relating thereto.

"BSE" means the BSE Limited.

"Effective Date" means the last of the dates, if applicable, on which the certified or authenticated copies of the order(s) sanctioning the Scheme passed by the High Courts or any other appropriate authority, as the case maybe, is/are filed with the Registrar of Companies, Bihar & Jharkhand and the Registrar of Companies, Madhya Pradesh.

"Employees" mean all the employees of the Transferor Company as on the Effective Date.

"High Court" means the Hon'ble High Court of Jharkhand having jurisdiction in relation to the Transferor Company and the Hon'ble High Court of Madhya Pradesh, Bench at Indore having jurisdiction in relation to the Transferee Company and "High Courts" shall mean both of them.

It is hereby clarified that in the event that the provisions of the Companies Act, 2013 pertaining to scheme(s) of arrangement(s) become applicable and effective for the purposes of this Scheme, all reference to the High Court(s) shall be deemed to include reference to the National Company Law Tribunal to be constituted under the Companies Act, 2013.

"NSE" means the National Stock Exchange of India Limited.

"Parties" means the Transferor Company and the Transferee Company, collectively.

"Party" means the Transferor Company or the Transferee Company, individually.

"Record Date" shall be the date or dates to be fixed by the Board of the Transferee Company for the purpose of determining the names of the equity shareholders of the Transferor Company for issue of shares of the Transferee Company pursuant to this Scheme, upon amalgamation of the Transferor Company with the Transferee Company.

"Scheme", "the Scheme", "this Scheme" means this scheme of amalgamation in its present form submitted to the respective High Courts or any other Appropriate Authority in the relevant jurisdictions with any modification(s) thereof made under Clause 15 of the Scheme or as directed by the High Courts or any other Appropriate Authority and accepted by the Parties.

"SEBI" means the Securities and Exchange Board of India.

"SEBI Circulars" shall mean the circulars issued by the SEBI, being Circular CIR/CFD/DIL/5/2013 dated 4 February 2013 and Circular CIR/CFD/DIL/8/2013 dated 21 May 2013 and any amendments thereof.

"Stock Exchanges" means BSE and NSE, as may be applicable.

"Transferor Company" means Aditya Birla Chemicals (India) Limited, a public company, limited by shares, incorporated under the provisions of the Companies Act 1956, under Corporate Identity No. L24100JH1976PLC001255 and having its registered office at Garhwa Road, P.O. - Rehla, Palamau, Jharkhand - 822 124.

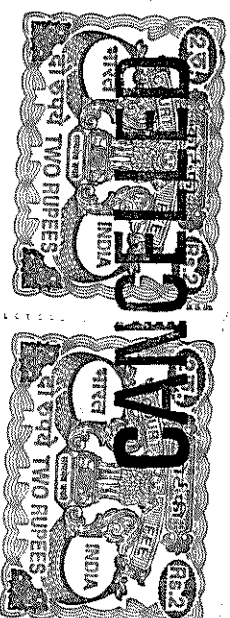
"Transferee Company" means Grasim Industries Limited, a public company, limited by shares, incorporated under the provisions of the Companies Act 1956, under Corporate Identity No. L17124MP1947PLC000410 and having its registered office at Birlagram, Nagda, Dist. Ujjain, Madhya Pradesh - 456 331.

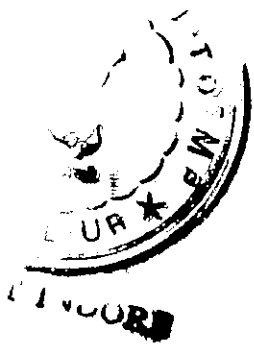
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Amit Kumar Pardeshi
Advocate





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"Undertaking" shall mean and include the entire business, all the undertakings, properties, investments and liabilities of whatsoever nature and kind and wheresoever situated, of the Transferor Company, on a going concern basis, together with all its assets, rights, licenses and liabilities and shall include (without limitation):

- (a) All the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature), whether situated in India or abroad, including but not limited to manufacturing facilities, laboratories, land (whether leasehold or freehold), jetty, salt works, including those described in the Schedule 1 hereto, plant and machinery, D.G. Sets, equipments, buildings and structures, offices, residential and other premises, capital work-in-progress, furniture, fixtures, vehicles, office equipments, computers, appliances, accessories, power lines, stocks and inventory, leasehold assets and other properties, guesthouses, godowns, warehouses, railway lines and sidings, water pipelines, depots, power generation undertakings including the power plants, fly ash handling systems, cash in hand, amounts lying in the banks to the credit of the Transferor Company, investments of all kinds (including shares, scrips, stocks, bonds, debentures stocks, units, or securities of all kind and nature), claims, powers, authorities, allotments, approvals, consents, letters of intent, registrations, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, club memberships, advantages, leasehold rights, memorandum of understandings, brands, sub-letting tenancy rights, with or without the consent of the landlord as may be required by law, licensee and licensor rights, goodwill, other intangibles, industrial and other licenses, permits, authorisations, trademarks, trade names, patents, patent rights, copyrights, and other industrial and intellectual properties and rights of any nature whatsoever including know-how, domain names, or any applications for the above, assignments and grants in respect thereof, import quotas and other quota rights, right to use and avail of telephones, telex, facsimile and other communication facilities, connections, installations and equipment, utilities, electricity and electronic and all other services of every kind, nature and description whatsoever, provisions, funds, and benefits of all agreements, arrangements, deposits, advances, recoverable and receivables, whether from government, semi-government, local authorities or any other person including customers, contractors or other counter parties, etc., all earnest monies and/or deposits, privileges, liberties, easements, advantages, benefits, exemptions, licenses and approvals of whatsoever nature including but not limited to benefits of tax exemptions/benefits and/or exemption entitlements, all tax holiday, tax relief including under the Income Tax Act, 1961 such as credit for advance tax, taxes deducted at source, brought forward accumulated tax losses, unabsorbed depreciation, Minimum Alternate Tax credit ("MAT"), etc. and under indirect taxes such as CENVAT credit, and wheresoever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by the Transferor Company as on the Appointed Date;

- (b) All agreements, rights, contracts (including but not limited to agreements with respect to immovable and movable properties being used by the Transferor Company by way of leasehold, license or any other rights or privileges or other arrangements), bids, tenders, letters of intent, expressions of interest, entitlements, licenses, permits, permissions, incentives, approvals, registrations, tax deferrals & exemptions and benefits, subsidies, income tax benefits and exemptions including the right to deduction under Section 80IA of the Income Tax Act, 1961 in respect of the profits of the undertaking for the residual period, i.e., for the period remaining as on the Appointed Date out of the total period for which the deduction is available

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Armit Kumar Pardeshi
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in law if the amalgamation pursuant to this Scheme does not take place, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges and claims as to any patents, trademarks, designs, quotas, rights, engagements, arrangements, authorities, allotments, security arrangements, benefits of any guarantees, reversions, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company and all other approvals of every kind, nature and description whatsoever relating to the Transferor Company business activities and operations and that may be required to carry on the operations of the Transferor Company;

- (c) Amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Appropriate Authority, under any law, act, scheme or rule, as refund of any tax, duty, cess or of any excess payment;
- (d) All other obligations of whatsoever kind, including liabilities of the Transferor Company with regard to their employees, with respect to the payment of gratuity, superannuation, pension benefits and the provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise;
- (e) All Employees engaged by the Transferor Company at various locations;
- (f) All the debts, liabilities, duties and obligations including contingent liabilities of the Transferor Company as on the Appointed Date; and
- (g) All books, records, files, papers, engineering and process information, records of standard operating procedures, computer programmes along with their licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form, in connection with or relating to the Transferor Company.
- (h) Right to any claim not preferred or made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any Applicable Law, act or rule or Scheme made by the Appropriate Authority, and in respect of set-off, carry forward and unabsorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under Income Tax Act, 1961, or any other or like benefits under the said acts or under and in accordance with any Applicable Law or act, whether in India or outside India.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, Income Tax Act, 1961 and other Applicable Laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

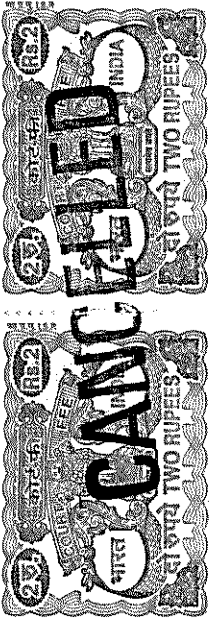
1.2 In this Scheme, unless the context otherwise requires:

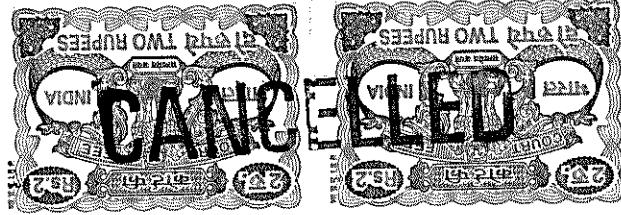
1.2.1 words denoting singular shall include plural and vice versa;

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Advocate





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- 1.2.2 reference in the Scheme to "coming into effect of this Scheme" or "upon scheme becoming effective" shall mean from the Effective Date;
- 1.2.3 headings and bold typeface are only for convenience and shall be ignored for the purposes of interpretation;
- 1.2.4 references to the word "include" or "including" shall be construed without limitation;
- 1.2.5 a reference to an article, clause, section, paragraph or schedule is, unless indicated to the contrary, a reference to an article, clause, section, paragraph or schedule of this Scheme;
- 1.2.6 unless otherwise defined, the reference to the word "days" shall mean calendar days;
- 1.2.7 references to dates and times shall be construed to be references to Indian dates and times;
- 1.2.8 reference to a document includes an amendment or supplement to, or replacement or novation of, that document;
- 1.2.9 word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed to them; and
- 1.2.10 References to a person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives' body (whether or not having separate legal personality).

2. SHARE CAPITAL

2.1 The share capital of the Transferor Company as on 10 February 2015 is as under:

Authorised Share Capital	Amount (Rs)
2,45,00,000 equity shares of Rs. 10 each	24,50,00,000
50,000 11% redeemable cumulative preference shares of Rs. 100 each	50,00,000
Total	25,00,00,000
Issued, Subscribed and Fully Paid Up Share Capital	Amount (Rs)
2,33,86,500 equity shares of Rs. 10 each	23,38,65,000
Total	23,38,65,000

There has been no change in the authorized, issued, subscribed and paid-up share capital of the Transferor Company till the date of approval of the Scheme by the Board on 11 February, 2015.

2.2 The share capital of the Transferee Company as on 10 February 2015 is as under:

Authorised Share Capital	Amount (Rs)
9,50,00,000 equity shares of Rs. 10 each	95,00,00,000
1,50,000 15% redeemable cumulative preference shares of Rs.100 each	1,50,00,000
1,00,000 8.57% redeemable cumulative preference shares of Rs.100 each	1,00,00,000

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Amit Kumar Pardeshi
Advocate



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3,00,000 9.3% redeemable cumulative preference shares of Rs.100 each	3,00,00,000
Total	100,50,00,000
Issued, Subscribed and Fully Paid up Share Capital	Amount in (Rs)
9,18,52,185* equity shares of Rs. 10 each	91,85,21,850
Share Capital Suspense:	1,48,790
14,879 equity Shares of Rs. 10 each to be issued as fully paid-up pursuant to acquisition of Cement Business of Aditya Birla Nuvo Limited under the Scheme of Arrangement without payment being received in cash	
Total	91,86,70,640

* Includes 1,30,23,739 equity shares represented by GDRs.

There has been no change in the authorized, issued, subscribed and paid-up share capital of the Transferee Company till the date of approval of the Scheme by the Board on 11 February, 2015.

The Transferee Company has outstanding employee stock options under its Existing Stock Option Schemes, the exercise of which may result in an increase in the issued and paid-up share capital of the Transferee Company.

2.3 Date of taking effect

The Scheme, though operative from the Appointed Date, shall come into effect on the Effective Date.

PART II - SCHEME OF AMALGAMATION

3. AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEE COMPANY

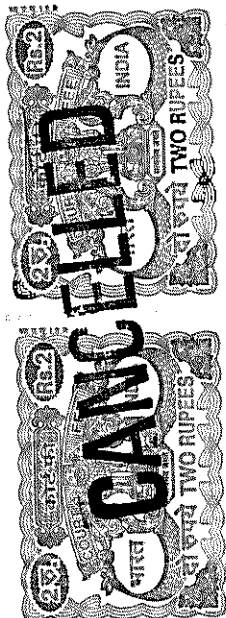
Upon the Scheme becoming effective and subject to the provisions of this Scheme in relation to the mode of transfer and vesting of the Undertaking, the Undertaking shall, without any further act, instrument or deed, be and stand transferred to and vested in, and/or be deemed to have been and stand transferred to and vested in the Transferee Company, so as to become on and from the Appointed Date, the estate, assets, rights, title, interest and authorities of the Transferee Company, pursuant to Section 394(2) of the Act, subject however, to all charges, liens, mortgages, then affecting the Transferor Company or any part thereof. Provided however, any reference in any security documents or arrangements to which the Transferor Company is a party and under which the assets of the Transferor Company stand offered as security for any financial assistance or obligation, shall be construed as reference to the assets pertaining to the Undertaking of the Transferor Company only as are vested in the Transferee Company by virtue of this Scheme. Provided always that the Scheme shall not operate to enlarge the scope of security for any loan, deposit or facility created by or available to Transferor Company, which shall be deemed to have been vested with the Transferee Company by virtue of the amalgamation, and the Transferee Company shall not be obliged to create any further or additional security therefore upon coming into effect of this Scheme or otherwise, except in case where the required security has not been created and in such case if the terms thereof require, the Transferee Company will create the security in terms of the issue or arrangement in relation thereto. Similarly, the Transferee Company shall not be required to create any additional security over assets acquired by it under the Scheme for any loans, deposits or other financial assistance availed/to be availed by it.

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Provided that for the purpose of giving effect to the vesting order passed under Sections 391 to 394 of the Act in respect of this Scheme, the Transferee Company shall at all times be entitled to get effected the change in the title and the appurtenant legal right(s) upon the vesting of such properties (including all the immovable properties) of the Transferor Company in accordance with the provisions of Section 391 to 394 of the Act, at the office of the respective Registrar of Assurances or any other Appropriate Authority, where any such property is situated.

3.2 With respect to the assets forming part of the Undertaking that are movable in nature or are otherwise capable of being transferred by manual delivery or by paying over or endorsement and/or delivery, the same may be so transferred by the Transferor Company without any further act or execution of an Instrument with the Intent of vesting such assets with the Transferee Company as on the Appointed Date.

3.3 With respect to the assets of the Undertaking other than those referred to in Clause 3.2 above, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company on the Effective Date pursuant to the provisions of Section 394 of the Act, with effect from the Appointed Date. It is hereby clarified that all the investments made by the Transferor Company and all the rights, title and interests of the Transferor Company in any leasehold properties in relation to the Undertaking shall, pursuant to Section 394(2) of the Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company. With regard to the licenses of the properties, the Transferee Company will enter into novation agreements, if it is so required.

3.4 Without prejudice to the aforesaid, upon the Scheme coming into effect and with effect from the Appointed Date, the Undertaking, including all immovable property (including but not limited to the land, jetty, salt works, buildings, offices, factories, sites, laboratories and other immovable property described in Schedule I hereto, including accretions and appurtenances), whether or not included in the books of the Transferor Company, whether freehold or leasehold (including but not limited to land, buildings, factories, sites and immovable properties and any other document of title, rights, interest and easements in relation thereto) shall stand transferred to and be vested in the Transferee Company, as successor to the Transferor Company, without any act or deed to be done or executed by the Transferor Company and/or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges and fulfil all its obligations, in relation to or applicable to all such immovable properties. The mutation and/or substitution of the ownership or the title to, or interest in the immovable properties shall be made and duly recorded by the Appropriate Authority(ies) in favour of the Transferee Company by the appropriate governmental authorities and third parties pursuant to the sanction of the Scheme by the High Courts and upon the Scheme being effective in accordance with the terms hereof without any further act or deed to be done or executed by the Transferor Company and/or the Transferee Company. It is clarified that the Transferee Company shall be entitled to engage in such correspondence and make such representations, as may be necessary for the purposes of the aforesaid mutation and/or substitution.

Notwithstanding any provision to the contrary, upon the Effective Date and until the owned property, leasehold property and related rights thereto, license / right to use the immovable property, tenancy rights, liberties and special status are transferred, vested, recorded effected and or perfected, in the record of the Appropriate Authority, in favor of the Transferee Company, the Transferee Company is deemed to be authorized to carry on business in the name and style of the Transferor Company under the relevant agreement,

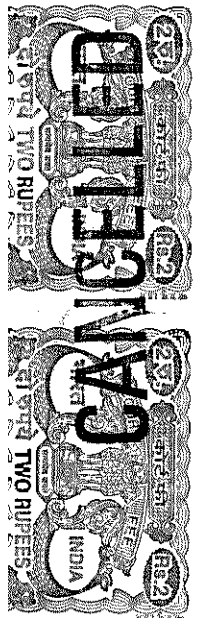
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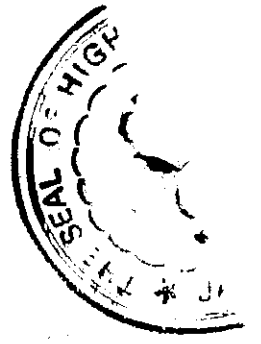
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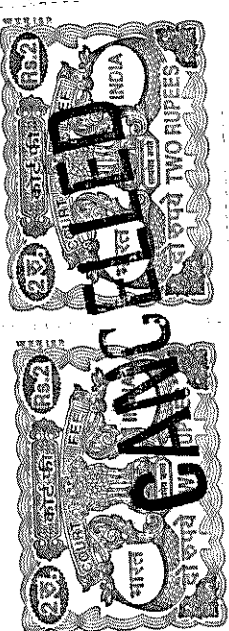
deed, lease and/or license, as the case may be, and the Transferee Company shall keep a record and/or account of such transactions.

- 3.5 For the avoidance of doubt, it is clarified that upon the coming into effect of this Scheme; and in accordance with the provisions of relevant laws, consents, permissions, licences, certificates, authorities (including for the operation of bank accounts), powers of attorney given by, issued to or executed in favour of the Transferor Company, and the rights and benefits under the same shall, and all quality certifications and approvals, trademarks, brands, patents and domain names, copyrights, industrial designs, trade secrets and other intellectual property and all other interests relating to the goods or services being dealt with by Transferor Company, be transferred to and vest in Transferee Company.
- 3.6 Subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which the Transferor Company is a party subsisting or having effect on or immediately before the Effective Date shall remain in full force and effect against or in favour of the Transferee Company and shall be binding on and be enforceable by and against the Transferee Company as fully and effectually as if the Transferee Company had at all material times been a party thereto. The Transferee Company will, if required, enter into a novation agreement in relating to such contracts, deeds, bonds, agreements and other instruments as stated above. Any inter-se contracts between the Transferor Company on the one hand and the Transferee Company on the other hand shall stand cancelled and cease to operate upon the coming into effect of this Scheme.
- 3.7 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme, the Transferee Company may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations, other writings or tripartite arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company, to be carried out or performed.
- 3.8 In so far as the various incentives, tax exemption and benefits, service tax benefits, subsidies, grants, special status and other benefits or privileges enjoyed, granted by any Appropriate Authority, or availed of by the Transferor Company are concerned as on the Appointed Date, including income tax benefits and exemptions including the right to deduction under Section 80IA of the Income Tax Act, 1961, the same shall, without any further act or deed, vest with and be available to the Transferee Company on the same terms and conditions on and from the Effective Date.
- 3.9 Upon the coming into effect of this Scheme, all debts, liabilities, duties and obligations of the Transferor Company shall, pursuant to the provisions of Section 394(2) and other applicable provisions of the Act, without any further act, instrument or deed be and stand transferred to and vested in and/or deemed to have been and stand transferred to and vested in the Transferee Company, so as to become on and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company and it shall not be necessary to obtain the consent of any person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause.

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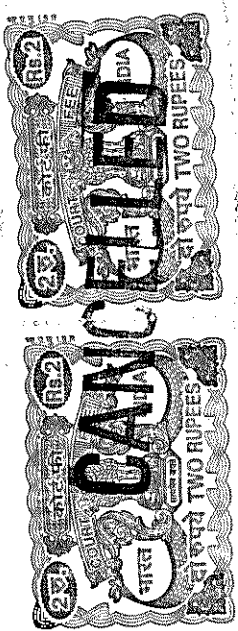
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- 3.10 (a) All debts, liabilities, duties and obligations of the Transferor Company as on the close of business on the day immediately preceding the Appointed Date and all other debts, liabilities, duties and obligations of the Transferor Company which may accrue or arise from the Appointed Date but which relate to the period up to the day immediately preceding the Appointed Date, shall become the debts, liabilities, duties and obligations of the Transferee Company.
- (b) Where any of the liabilities and obligations attributed to the Transferor Company on the Appointed Date has been discharged by it after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been, for and on behalf of the Transferee Company. Where after the Appointed Date and prior to the Effective Date, the Transferor Company has taken any further loans, liabilities or obligations, such further loans, liabilities or obligations shall also be deemed to have been, for and on behalf of the Transferee Company, and the Transferee Company will assume liability for the same.
- (c) Without prejudice to the provisions of the foregoing Clauses, and upon the Scheme becoming effective, the Transferor Company and the Transferee Company shall execute any and all instruments or documents and do all the acts and deeds as may be required, including filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies, Bihar & Jharkhand at Ranchi, Jharkhand and Registrar of Companies, Madhya Pradesh at Gwalior, Madhya Pradesh to give formal effect to the above provisions.
- (d) If and to the extent there are loans, deposits or balances or other outstanding interest between the Transferor Company and the Transferee Company, the obligations in respect thereof shall, on and from the Appointed Date, come to an end and suitable effect shall be given in the books of the Transferee Company. For removal of doubts, it is hereby clarified that with effect from the Effective Date, there would be no accrual of interest or other charges in respect of any such loans, deposits or balances inter-se between the Transferor Company and the Transferee Company, from the Appointed Date.
- (e) With effect from the Effective Date, there would be no accrual of income or expense on account of any transactions, including inter alia any transactions in the nature of sale or transfer of any goods, materials or services between the Transferor Company and the Transferee Company from the Appointed Date.
- (f) Any tax liabilities under the Income Tax Act, 1961, fringe benefit tax laws, Customs Act, 1962, Central Excise Act, 1944, value added tax laws, as applicable to any State in which the Transferor Company operates, Central Sales Tax Act, 1956, any other State sales tax / value added tax laws, or service tax, or corporation tax, or other Applicable Laws and regulations dealing with taxes/ duties/ levies/cess (hereinafter in this Clause referred to as "Tax Laws") to the extent not provided for or covered by tax provision in the Transferor Company's accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company. Any surplus in the provision for taxation/ duties/ levies account including advance tax and tax deducted at source, tax refunds and MAT credit entitlement as on the date immediately preceding the Appointed Date will also be transferred to the account of and belong to the Transferee Company.



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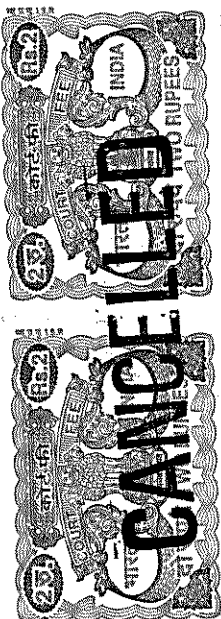
- (g) Any refund under the Tax Laws due to the Transferor Company consequent to the assessment and which have not been received by the Transferor Company as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- (h) Without prejudice to the generality of the above, all benefits including under Tax Laws, to which the Transferor Company is entitled to in terms of the applicable Tax Laws of the Union and State Governments, including but not limited to advances recoverable in cash or kind or for value, and deposits with any government/other authority or any third party/entity, shall be available to and vest in the Transferee Company.
- (i) All debentures, bonds, other debt securities and other instruments of like nature (whether convertible into equity shares or not) including non-convertible debentures issued to/held by the Transferor Company, shall upon coming into effect of this Scheme pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Act, without any further act, instrument or deed shall stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company.

It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies etc, the Transferor Company shall, if so required by the Transferee Company, issue notices in such form as the Transferee Company may deem fit and proper stating that pursuant to the High Court having sanctioned this Scheme under Sections 391 to 394 of the Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Transferee Company, as the person entitled thereto, to the end and intent that the right of the Transferor Company to recover or realise the same, stands transferred to the Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.

3.11 Without prejudice to the provisions of this Scheme, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes, from the Appointed Date.

3.12 On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate all bank accounts of the Transferor Company and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Transferor Company in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions.

3.13 For avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date and till such time that the name of the bank accounts of the Transferor Company would be replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. The Transferee Company shall be allowed to maintain bank accounts in the name of the Transferor Company for such time as may be determined to be necessary by the Transferee Company for presentation and deposition of cheques and pay orders that have been issued



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in the name of the Transferor Company. It is hereby expressly clarified that any legal proceedings by or against the Transferor Company in relation to the cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company shall be instituted, or as the case maybe, continued by or against the Transferee Company after the coming into effect of the Scheme.

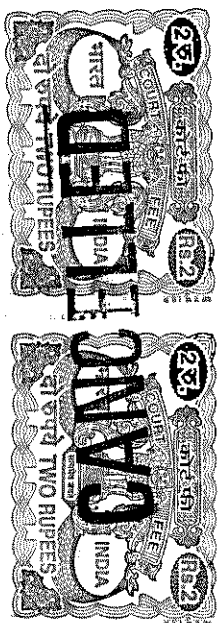
3.14 For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure the smooth transition and sales of products and inventory of the Transferor Company, manufactured and/or branded and/or labelled and/or packed in the name of the Transferor Company prior to the Effective Date, the Transferee Company shall have the right to own, use, market, sell, exhaust or to in any manner deal with any such products and inventory (including packing material) pertaining to the Transferor Company at manufacturing locations or warehouses or retail stores or elsewhere, without making any modifications whatsoever to such products and/or their branding, packing or labelling. All invoices/payment related documents pertaining to such products and inventory (including packing material) may be raised in the name of the Transferee Company after the Effective Date.

4. PERMITS, CONSENTS AND LICENSES

All the licenses, permits, quotas, approvals, incentives, subsidies, rights, claims, leases, tenancy rights, liberties, rehabilitation schemes, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by and all rights and benefits that have accrued to the Transferor Company, pursuant to the provisions of Section 394(2) of the Act, shall without any further act, instrument or deed, be transferred to and vest in or be deemed to have been transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date, the estates, assets, rights, title, interests and authorities of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible in law. Upon the Effective Date and until the licenses, permits, quotas, approvals, incentives, subsidies, rights, claims, leases, tenancy rights, liberties, rehabilitation schemes, special status are transferred, vested, recorded effected and or perfected, in the record of the Appropriate Authority, in favor of the Transferee Company, the Transferee Company is authorized to carry on business in the name and style of the Transferor Company and under the relevant license and or permit and / or approval, as the case may be, and the Transferee Company shall keep a record and/or account of such transactions.

5. EMPLOYEES

(a) Upon the Scheme coming into effect and with effect from the Appointed Date, the Transferee Company undertakes to engage all the Employees of the Transferor Company on the same terms and conditions on which they are engaged by the Transferor Company without any interruption of service as a result of the amalgamation of the Transferor Company with the Transferee Company. The Transferee Company agrees that the services of all such employees with the Transferor Company prior to the amalgamation of the Transferor Company with the Transferee Company shall be taken into account for the purposes of all benefits to which the said Employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits and to this effect the accumulated balances, if any, standing to the credit of the employees in the existing provident fund, gratuity fund and superannuation fund of which they are members will be transferred to such provident fund, gratuity fund and superannuation funds nominated by the Transferee Company and/or such new provident fund, gratuity fund and superannuation fund to be established and caused



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to be recognized by the Appropriate Authorities, by the Transferee Company. Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the Employees would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Transferor Company. It is clarified that upon transfer of the aforesaid funds to the respective funds of the Transferee Company, the existing trusts created for such funds by the Transferor Company shall stand dissolved.

(b) It is clarified that save as expressly provided for in this Scheme, the Employees who become the employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the other employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the other employees of the Transferee Company), unless otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement / settlement, if any, entered into or deemed to have been entered into by the Transferor Company with any union / employee of the Transferor Company.

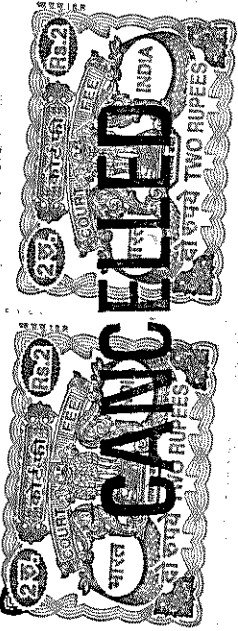
6. LEGAL PROCEEDINGS

6.1 If any suit, cause of actions, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatever nature (hereinafter called "the Proceedings") by or against the Transferor Company be pending on the Effective Date, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking or of anything contained in the Scheme, but the Proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made. On and from the Effective Date, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Company.

2 The transfer and vesting of the Undertaking under the Scheme and the continuance of the proceedings by or against the Transferee Company under Clause 6.1 above shall not affect any transaction or proceeding already completed by the Transferee Company on and after the Appointed Date and till the Effective Date to the end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and/or on behalf of the Transferor Company as acts, deeds and things done and executed by and on behalf of the Transferee Company.

7. CONSIDERATION

7.1 Upon the Scheme becoming effective and in consideration of the amalgamation of the Transferor Company into the Transferee Company, including the transfer and vesting of the Undertaking in the Transferee Company pursuant to provisions of this Scheme, the Transferee Company shall, without any further act, deed, issue and allot to each member of the Transferor Company, whose name is recorded in the register of members of the Transferor Company and whose names appear as the beneficial owners of the shares of the Transferor Company in the records of the depositories (or to such of their respective heirs, executors, administrators or other legal representatives, or successors in title as may be recognized by the Board of Directors of the Transferee Company), as on the Record Date in



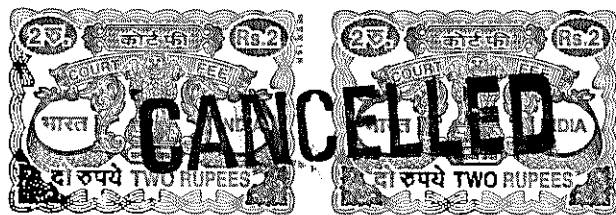
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accordance with the terms of the Scheme and without any further application, act, deed payment, consent or instrument, 1 (one) fully paid up equity share of Rs. 10 (Rupees Ten) each of the Transferee Company each credited as fully paid up for every 16 (sixteen) fully paid up equity shares of Rs. 10 (Rupees Ten) each held by such member or his/her/its heirs, executors, administrators or successors in the Transferor Company ("New Equity Shares"). The ratio in which equity shares of the Transferee Company are to be issued and allotted to the shareholders of the Transferor Company is referred to as the "Share Exchange Ratio".

- 7.2 The New Equity Shares issued and allotted in terms of Clause 7.1 shall, in compliance with the applicable regulations, be listed and/or admitted to trading on the relevant stock exchanges in India where the equity shares of the Transferee Company are listed and admitted to trading as on the Effective Date, including the Stock Exchanges. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with Applicable Laws or regulations for complying with the formalities of the Stock Exchanges. The New Equity Shares allotted pursuant to this Scheme shall remain frozen in the depositories system till relevant directions in relation to listing/trading are provided by the relevant Stock Exchange(s). The New Equity Shares to be issued and allotted as provided in Clause 7.1 above shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank pari-passu in all respects with the then existing equity shares of the Transferee Company after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits.
- 7.3 In case any shareholder's holding in the Transferor Company is such that the shareholder becomes entitled to a fraction of an equity share of the Transferee Company, the Transferee Company shall not issue any fractional shares to such shareholder but shall consolidate such fractions and issue consolidated equity shares to a trustee nominated by the Transferee Company in that behalf, who shall hold these equity shares in trust for and on behalf of the shareholders entitled to such fractional entitlements with the express understanding that such trustee shall sell such shares at such time or times and at such price or prices to such person or persons as he/she may deem fit and shall distribute the net sale proceeds (after deduction of applicable taxes and other expenses incurred) to the shareholders entitled to the same in proportion as their respective fractional entitlements bears to the consolidated fractional entitlements.
- 7.4 The Transferee Company shall apply for listing of the equity shares issued in terms of Clause 7.1 above on the Stock Exchanges in terms of the SEBI Circulars, upon the receipt of the order of High Court and in compliance of the SEBI Circulars.
- 7.5 Unless otherwise determined by the Board of the Transferee Company, the allotment of equity shares in terms of Clause 7.1 shall be done within the prescribed statutory period from the Effective Date.
- 7.6 The equity shares to be issued pursuant to this Scheme by the Transferee Company in respect of the equity shares of Transferor Company which are held in abeyance under the provisions of Section 126 of the Companies Act 2013 (erstwhile Section 206A of the Companies Act 1956) or otherwise shall, pending allotment or settlement of dispute by order of High Court or otherwise, be held in abeyance by Transferee Company.
- 7.7 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of the Transferee Company at its sole discretion, shall be empowered in appropriate cases, prior to or even after the Record Date, as the case may be, to effectuate such a transfer in the Transferor Company as if such changes in registered holder were operative as on the Effective Date in order to remove any difficulties in relation to the new shares after the Scheme becomes effective and the Board of the Transferee Company shall be empowered to remove such difficulties as may arise in

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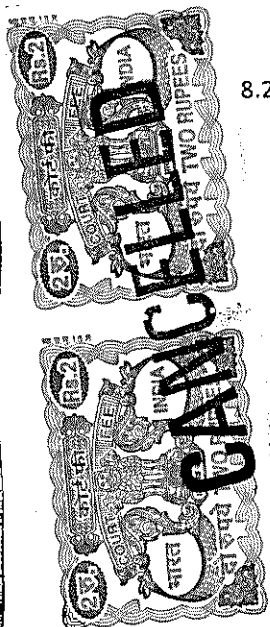
- the course of implementation of the Scheme and registration of new members in the Transferee Company on account of difficulties faced in the transition period.
- 7.8 The issue and allotment of the New Equity Shares to the shareholders of the Transferor Company as provided in this Scheme, is an integral part thereof and shall be deemed to have been carried out without requiring any further act on the part of the Transferee Company or its shareholders and as if the procedure laid down under Section 62 of the Companies Act 2013 and any other applicable provisions of the Act, as may be applicable, and such other statutes and regulations as may be applicable were duly complied with.
- 7.9 Upon the coming into effect of this Scheme and upon the New Equity Shares being issued and allotted as provided in this Scheme, the equity shares of the Transferor Company, both in dematerialized form and in physical form, shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date. Wherever applicable, the Transferee Company may, instead of requiring the surrender of the share certificates of the Transferor Company, directly issue and dispatch the new share certificates of the Transferee Company.
- 7.10 The New Equity Shares shall be issued in dematerialized form to those equity shareholders who hold shares of the Transferor Company in dematerialized form, provided all details relating to their accounts with the depository participants are available with the Transferee Company. All those equity shareholders who hold equity shares of the Transferor Company in physical form, shall be issued New Equity Shares in physical or electronic form, at the option of such shareholders to be exercised by them on or before the Record Date, by giving a notice in writing to the Transferee Company; and if such option is not exercised by such shareholders, the New Equity Shares shall be issued to them in physical form.
- 7.11 The Transferee Company shall obtain prior approval of Appropriate Authorities before issuing New Equity Shares to non-resident shareholders of the Transferor Company, if required.

PART III

GENERAL PROVISIONS

8. COMBINATION OF AUTHORISED CAPITAL

- 8.1 Upon the Scheme becoming effective, the authorised share capital of the Transferor Company will get merged with that of the Transferee Company without payment of any additional fees and duties as the said fees have already been paid. The authorised share capital of the Transferee Company will automatically stand increased to that effect by simply filling the requisite forms with the Appropriate Authority and no separate procedure or instrument or deed or payment of any stamp duty and registration fees shall be required to be followed under the Act.
- 8.2 Consequently, the Memorandum and Articles of Association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13 and 14 of the Companies Act 2013 and Section 394 and other applicable provisions of the Companies Act 1956 and Companies Act 2013, as set out below:
- (a) The authorised share capital of the Transferee Company is Rs. 125,50,00,000 (Rupees One hundred twenty five crores and fifty lakhs) divided into 11,95,00,000 (eleven crores ninety five lakhs) equity shares of Rs. 10 (Rupees Ten) each, 1,50,000 (one lakh fifty thousand) 15% redeemable cumulative preference shares of Rs. 100 (Rupees One hundred) each of Series "A", 1,00,000 (One Lakh) 8.57% redeemable



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cumulative preference shares of Rs. 100 (Rupees One hundred) each of Series "B", 3,00,000 (three lakhs) 9.3% redeemable cumulative preference shares of Rs. 100 (Rupees One hundred) each of Series "C" and 50,000 (fifty thousand) 11% redeemable cumulative preference shares of Rs. 100 (Rupees One hundred) each.

- (b) Clause V of the Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 13 and 61 of the Companies Act 2013 and Section 394 and other applicable provisions of the Companies Act 1956 and Companies Act 2013, as the case may be, and be replaced by the following clause:

"The Authorised Share Capital of the Company is Rs. 125,50,00,000 (Rupees One hundred twenty five crores and fifty lakhs) divided into 11,95,00,000 (eleven crores ninety five lakhs) equity shares of Rs. 10 (Rupees Ten) each, 1,50,000 (one lakh fifty thousand) 15% redeemable cumulative preference shares of Rs. 100 (Rupees One hundred) each of Series "A", 1,00,000 (one lakh) 8.57% redeemable cumulative preference shares of Rs. 100 (Rupees One hundred) each of Series "B", 3,00,000 (three lakhs) 9.3% redeemable cumulative preference shares of Rs. 100 (Rupees One hundred) each of Series "C" and 50,000 (fifty thousand) 11% redeemable cumulative preference shares of Rs. 100 (Rupees One hundred) each with power to classify or reclassify, increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or condition as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company and the legislative provisions for the time being in force."

- (c) Clause 3 of the Articles of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Section 14 of the Companies Act 2013 and Section 394 and other applicable provisions of the Companies Act 1956 and Companies Act 2013, as the case may be, and be replaced by the following clause:

"The Authorised Share Capital of the Company is Rs. 125,50,00,000 (Rupees One hundred twenty five crores and fifty lakhs) divided into 11,95,00,000 (eleven crores ninety five lakhs) equity shares of Rs. 10 (Rupees Ten) each, 1,50,000 (one lakh fifty thousand) 15% redeemable cumulative preference shares of Rs. 100 (Rupees One hundred) each of Series "A", 1,00,000 (one lakh) 8.57% redeemable cumulative preference shares of Rs. 100 (Rupees One hundred) each of Series "B", 3,00,000 (three lakhs) 9.3% redeemable cumulative preference shares of Rs. 100 (Rupees One hundred) each of Series "C" and 50,000 (fifty thousand) 11% redeemable cumulative preference shares of Rs. 100 (Rupees One hundred) each with power to classify or reclassify, increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or condition as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of the Company and the legislative provisions for the time being in force."

- 8.3 It is clarified that upon approval of the Scheme by the High Courts, the Transferee Company shall not be required to seek separate consent/ approval of its shareholders for the alteration of the Memorandum and Articles of Association of the Transferee Company as

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required under Sections 13, 14, 61 and 64 of the Companies Act, 2013 and other applicable provisions of the Companies Act 2013 and the Companies Act 1956.

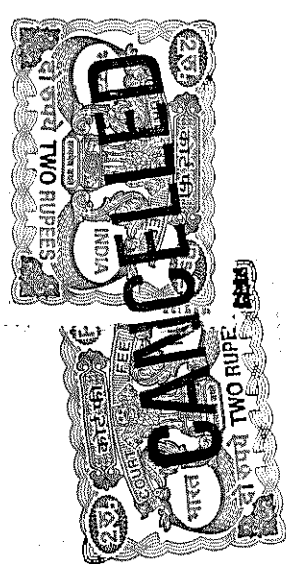
9. DIVIDENDS

- 9.1 The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period ending 31st March, 2015 consistent with the past practice. Any other dividend shall be recommended/declared only by the mutual consent of the Parties.
- 9.2 On and from the Effective Date, the profits of the Transferor Company, for the period beginning from the Appointed Date, shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed of in any manner as it thinks fit.
- 9.3 It is clarified that the aforesaid provisions in respect of declaration of dividends (whether interim or final) are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company and/or the Transferee Company to demand or claim or be entitled to any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the respective Boards of the Transferor Company and/or the Transferee Company as the case may be, and subject to approval, if required, of the shareholders of the Transferor Company and/or the Transferee Company as the case may be.

10. ACCOUNTING TREATMENT IN THE BOOKS AND FINANCIAL STATEMENTS OF THE TRANSFEEE COMPANY

On the Scheme becoming effective, the Transferee Company shall account for the amalgamation in its books as under:

- (a) On the Scheme becoming effective, the Transferee Company shall account for the amalgamation of the Transferor Company in its books of account with effect from the Appointed Date.
- (b) The Amalgamation of the Transferor Company shall be accounted for in the books of account of the Transferee Company in accordance with "Pooling of Interests Method" of accounting as per the Accounting Standard (AS) 14. 'Accounting for Amalgamations' issued by the Institute of Chartered Accountants of India, as notified under Section 133 of the Companies Act, 2013.
- (c) All assets and liabilities, including reserves, of the Transferor Company transferred to the Transferee Company under the Scheme shall be recorded in the books of account of the Transferee Company at their existing carrying amounts and in the same form as recorded in the books of account of the Transferor Company.
- (d) The balance in the reserves & surplus account of the Transferor Company shall be transferred to the corresponding reserves in the Transferee Company. In other words, identity of reserves of Transferor Company shall be preserved.
- (e) The balance of the Profit and Loss Account of the Transferor Company shall be aggregated with the balance of the Profit and Loss Account of the Transferee Company.



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- (f) The difference between the share capital of the Transferor Company and face value of New Equity Shares issued by the Transferee Company in terms of Clause 7.1 above to the shareholders of the Transferor Company shall be adjusted in the Capital Reserves of the Transferee Company.
- (g) In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in accordance with Accounting Standard (AS) 5 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies', in the books of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- (h) All inter-corporate deposits, loans and advances, outstanding balances or other obligations between the Transferor Company and the Transferee Company shall be cancelled and there shall be no further obligation/ outstanding in that behalf.

11. BUSINESS AND PROPERTY IN TRUST AND CONDUCT OF BUSINESS FOR THE TRANSFEE COMPANY

Unless otherwise stated hereinunder, with effect from the Appointed Date and up to and including the Effective Date:

- 11.1 The Transferor Company shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of the Undertaking of the Transferor Company for and on account of, and in trust for the Transferee Company. The Transferor Company hereby undertakes to hold the said Undertaking with utmost prudence until the Effective Date.
- 11.2 With effect from the date of the Board meeting of the Transferee Company and the Transferor Company approving the Scheme and up to and including the Effective Date, the Transferor Company shall preserve and carry on its business and activities with reasonable diligence and business prudence and shall not, without the prior consent in writing of any of the persons authorised by the Board of the Transferee Company, undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any guarantees, indemnities, letters of comfort or commitments or sell, transfer, alienate, charge, mortgage, encumber or otherwise deal with its fixed assets or any part thereof, except in the ordinary course of business, or pursuant to any pre-existing obligation(s) undertaken by the Transferor Company. It is clarified that if such matters are sought to be undertaken outside of the ordinary course of business, the same may be undertaken with the prior written consent of any of the persons authorised by the Board of the Transferee Company.
- 11.3 All the profits and income accruing or arising to the Transferor Company and losses, costs, charges, expenditure arising or incurred by the Transferor Company (including taxes, if any, accruing or paid in relation to any profits or income) shall, for all purposes, be treated and be deemed to be and accrue as the profits, income, losses, MAT Credit, costs, charges or expenditure (including taxes), as the case may be, of the Transferee Company.
- 11.4 With effect from the date of the Board meeting of the Transferee Company approving the Scheme and up to and including the Effective Date, the Transferor Company shall not, without the prior consent in writing of any of the persons authorised by the Board of the Transferee Company, undertake (i) any material decision in relation to its business and affairs and operations; (ii) any agreement or transaction (other than an agreement or

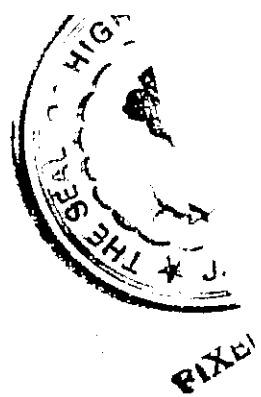
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transaction in the ordinary course of business); and (iii) any new business, or discontinue any existing business or change the capacity of facilities.

- 11.5 With effect from the date of the Board meeting of the Transferee Company approving the Scheme and up to and including the Effective Date, the Transferor Company shall not vary the terms and conditions of employment of any of its employees, without the prior consent in writing of any of the persons authorised by the Board of the Transferee Company, except in the ordinary course of business or pursuant to any pre-existing obligation undertaken by the Transferor Company prior to such date.
- 11.6 With effect from the date of the Board meeting of the Transferee Company approving the Scheme and up to and including the Effective Date, the Transferor Company shall not, without the prior written approval of any of persons authorised by the Board of the Transferee Company, make any change in its capital structure, whether by way of increase, decrease, reduction, re-classification, sub-division, consolidation or re-organisation, or in any other manner.
- 11.7 With effect from the date of the Board meeting of the Transferee Company approving the Scheme and up to and including the Effective Date, the Transferee Company shall be entitled to depute its employees and/or representatives to the office(s) of the Transferor Company to ensure compliance with the provisions of this Scheme.
- 11.8 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authorities and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company and to give effect to the Scheme.
- 11.9 Notwithstanding anything stated in this Scheme, upon the Scheme becoming effective, and if required, the Transferee Company is authorized to execute all such deeds and documents, whatsoever, that may be required and/or ought to have been executed by the Transferor Company, as if the Transferor Company was in existence.

12. **VALIDITY OF EXISTING RESOLUTIONS, ETC.**

Upon the coming into effect of this Scheme, the resolutions of the Transferor Company, as are considered necessary by the Board of the Transferee Company and which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then said limits as are considered necessary by the Board of the Transferee Company shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

13. **DISSOLUTION OF THE TRANSFEROR COMPANY**

On this Scheme becoming effective, the Transferor Company shall stand dissolved without winding up and without any further act by the parties to the Scheme. On and from the Effective Date, the name of the Transferor Company shall be struck off from the records of the Registrar of Companies, Bihar & Jharkhand.

14. **APPLICATIONS/PETITIONS TO THE HIGH COURT AND APPROVALS**

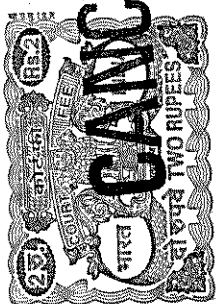
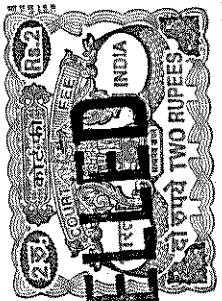
- 14.1 The Transferor Company and the Transferee Company shall dispatch, make and file all applications and petitions under Sections 391 to 394 and other applicable provisions of the

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Act before the High Courts, under whose jurisdiction the respective registered offices of the Transferor Company and the Transferee Company are situated, for sanction of this Scheme under the provisions of Applicable Law, and shall apply for such approvals as may be required under Applicable Law and for dissolution of the Transferor Company without being wound up.

- 14.2 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Appropriate Authority, if required, under any Applicable Law for such consents and approvals which the Transferee Company may require to own the Undertaking and to carry on the business of the Transferor Company.

15. **MODIFICATIONS/AMENDMENTS TO THE SCHEME**

- 15.1 The Transferor Company and the Transferee Company, through their respective Boards or such other person or persons, as the respective Boards may authorize, including any committee or sub-committee thereof may, in their full and absolute discretion, make and/or consent to any modifications / amendments to the Scheme or to any conditions or limitations: (i) which the respective Boards of the Transferor Company and the Transferee Company or any other person or persons, committee or sub-committee which the respective Board may authorize, as the case may be, deem fit, (ii) which the High Courts, Stock Exchanges(s), SEBI and any other Appropriate Authority may deem fit to suggest / impose / direct, and (iii) effect any other modification or amendment which the High Courts and any other Appropriate Authority may consider necessary or desirable and give such directions as they may consider necessary or desirable for settling any question, doubt or difficulty arising under the Scheme, whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith or in regard to its implementation or in any matter connected therewith (including any question, doubt or difficulty arising in connection with any deceased or Insolvent shareholder of the Transferor Company or the Transferee Company) and to do all acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect.

- 15.2 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegate(s) of the Transferor Company and/or the Transferee Company may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

16. Upon the coming into effect of this Scheme, the Transferee Company shall be entitled to file / revise its Income Tax returns, TDS Certificates, TDS returns, wealth tax returns and other statutory returns to the extent required. The Transferee Company shall be entitled to get credit/claim refunds, advance tax credits, credit of tax under Section 115JB of the Income Tax Act, 1961, credit of Tax Deducted at Source, credit of foreign tax paid/ withheld, etc., if any, as may be required consequent to the implementation of the Scheme.

17. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to carry on the business of the Transferor Company.

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18. **CONDITIONS PRECEDENT**

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18.1 The Scheme is conditional on and subject to:

- (a) The sanction or approval of the Competition Commission of India and other sanctions and approvals (as may be required by law) in respect of the Scheme being obtained in respect of any of the matters in respect of which such sanction or approval is required or on the expiry of any statutory time period pursuant to which such approval is deemed to have been granted;
- (b) Approval of the Scheme by the requisite majority of each class of members of the Transferor Company and the Transferee Company, as required under the Act and as may be directed by the High Courts;
- (c) The sanctions and orders of each of the High Courts, under Sections 391 to 394 of the Act, being obtained by the Transferor Company and the Transferee Company;
- (d) The Parties complying with other provisions of the SEBI Circulars, including seeking approval of the members of the Parties through postal ballot and e-voting. The Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it as required under the SEBI Circulars;
- (e) Requisite approval / no objection certificates from the Appropriate Authority(ies) required under Applicable Law, being obtained pursuant to the Scheme, for the transfer and vesting of the estate, assets, title, interest and other rights in the immoveable properties of the Transferor Company set out in Clause 3.4 above, in favour of the Transferee Company, unless this condition is waived by the Board of the Transferee Company; and
- (f) Certified/authenticated copies of the orders of the High Court(s), sanctioning the Scheme, being filed with the relevant Registrar of Companies having jurisdiction.

18.2 It is hereby clarified that submission of the Scheme to the High Court and to Appropriate Authorities for their respective approvals is without prejudice to all rights, interests, titles or defences that the Transferee Company may have under or pursuant to all appropriate and Applicable Law.

18.3 On the approval of this Scheme by the shareholders of the Transferor Company and the Transferee Company such shareholders shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the amalgamation set out in this Scheme, related matters and this Scheme itself.

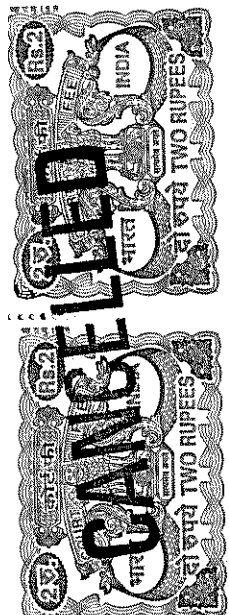
19. EFFECT OF NON-RECEIPT OF APPROVALS AND MATTERS AND MATTERS RELATING TO REVOCATION / WITHDRAWAL OF THE SCHEME

19.1 In the event of any of the said sanctions and approvals not being obtained and/or the Scheme not being sanctioned by the High Courts, and/or the order or orders not being passed as aforesaid on or before 31 December 2016 or within such further period or periods as may be agreed upon between the Transferor Company and the Transferee Company through their respective Boards, the Scheme shall become null and void and each Party shall bear and pay its respective costs, charges and expenses for and/or in connection with the Scheme.

19.2 The Transferor Company and/or the Transferee Company acting through their respective Board shall each be at liberty to withdraw from this Scheme, in case (i) any condition or alteration imposed by any Appropriate Authority / person is unacceptable to any of them; or

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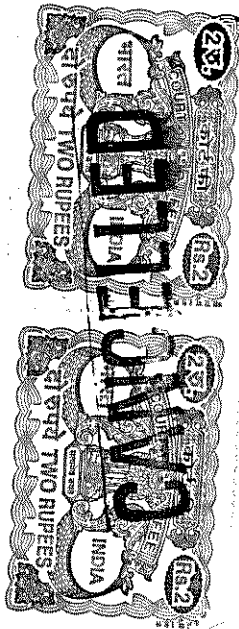
(ii) they are of the view that coming into effect of the Scheme with effect from the Appointed Date could have adverse implications on the combined entity post-amalgamation.

19.3 In the event of revocation / withdrawal under Clauses 18.1 and 18.2 above, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the Applicable Law and in such case, each Party shall bear its own costs, unless otherwise mutually agreed.

19.4 If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company and the Transferee Company through their respective Boards, affect the validity or implementation of the other parts and/or provisions of this Scheme.

20. COSTS, CHARGES AND EXPENSES

All costs, charges and expenses (including, but not limited to, any taxes and duties, stamp duty, registration charges, etc.) of the Transferor Company and the Transferee Company respectively in relation to carrying out, implementing and completing the terms and provisions of this Scheme and/or incidental to the completion of this Scheme shall be borne and paid solely by the Transferee Company. Stamp duty on the orders of the High Courts, if any and to the extent applicable, shall also be borne and paid by the Transferee Company.



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SCHEDULE 1 | LIST OF IMMOVEABLE PROPERTIES

SL NO	Location of the Property	Approximate Area (in Acre)
1.	Rehla, Ghordihá & Belchampa, Jharkhand	201.54
2.	Renukoot, Uttar Pradesh	376.88
3.	Karwar, Karnataka	262.69
4.	Singach, Gujarat	3026.41
5.	Veraval, Gujarat	0.041
6.	*Ganjam, Odisha	141.40
7.	*Pundi, Andhra Pradesh	1610.87

* The lands referred above are subject matter of the Business Transfer Agreement dated 8 September 2014 executed between Jayshree Chemicals Limited and the Transferor Company. The said Agreement is pending completion of condition precedents and thereafter will go for closing.

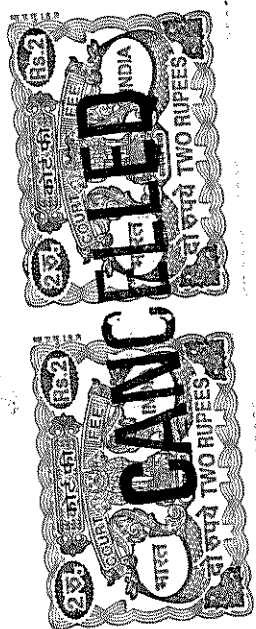
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High Court of Madhya Pradesh
Indore Bench Indore

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GCPB-1982-DCGPB-18-3-05-1,00,000

Application No. 51306 / 2015

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Application received on	Applicant told to appear on	Applicant appeared on	Application (with or without further /correct particulars) sent to Record Keeper / Dealing Assistant on	Application (with record or without record, and for further or correct particulars, if any required) received from the Record Keeper / Dealing Assistant on	Applicant given notice for further or correct particulars on	Applicant given notice for further funds on	Notice in Sr.No. (6) or (7) complied with on	Copy ready on	Copy delivered on	Court-fee realized
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.
14-10-2015	28-10-2015	19-10-2015						15-10-2015	19-10-2015	1200

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